

State of Alaska FY2011 Governor's Operating Budget

Department of Revenue Unclaimed Property Component Budget Summary

Component: Unclaimed Property**Contribution to Department's Mission**

The mission of the Unclaimed Property program is to fulfill its statutory mandate to administer Alaska's Uniform Unclaimed Property Act (AS 34.45).

Core Services

- Receive unclaimed property in the form of cash and securities from businesses (profit and non-profit) and governmental agencies as required by Alaska's Unclaimed Property Act
- Locate owners, heirs or authorized representatives of unclaimed property
- Determine legal validity of property ownership; deny or distribute property including accruals and interest, in order to make payment of allowed claims

Key Component Challenges

All funds received as unclaimed property are deposited into the Unclaimed Property Trust account in the general fund. Amounts received from property holders exceed refunds to owners because not all property owners are located. A minimum balance is maintained in the trust account and excess funds are periodically transferred to the general fund.

Identity theft and fraud are key contributors to the challenges of determining and validating entitlement to unclaimed property accounts. The volume of accounts, software and printing technology, and similar name relationships intensifies those challenges:

- 467,076 property accounts are held in trust, totaling \$79.4 million dollars
- An average of 56,000 new property accounts are received each year

Many types of unclaimed property require specialized accrual transactions and legal ownership transfers which create numerous challenges:

- Pension and profit share plans
- Condemnation awards
- Demutualized insurance policies
- Stocks, bonds, mutual funds, direct registered and dividend reinvestment plan accounts
- Receiverships
- Bankruptcy distributions

Significant Changes in Results to be Delivered in FY2011

No changes in results delivered.

Major Component Accomplishments in 2009

- In FY2009, the number of property items refunded to owners increased by 30% over FY2008.
- A transfer of \$3.75 million was made to the state general fund for FY2009 collections in excess of refunds. Since the inception of the program in 1986, a total of \$62.5 million has been transferred to the state general fund from the Unclaimed Property Trust account.
- During the past five years (FY2005-FY2009) a total of \$28.75 million has been transferred to the general fund, and \$14.1 million has been paid to 31,706 property owners.

Statutory and Regulatory Authority

AS 34.45 Alaska's Uniform Unclaimed Property Act

Contact Information**Contact:** Ginger Blaisdell, Director, Administrative Services**Phone:** (907) 465-2312**Fax:** (907) 465-1685**E-mail:** ginger.blaisdell@alaska.gov

Unclaimed Property Component Financial Summary

All dollars shown in thousands

	FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	305.0	305.0
72000 Travel	0.0	9.1	9.1
73000 Services	0.0	33.4	33.4
74000 Commodities	0.0	7.7	7.7
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	0.0	355.2	355.2
Funding Sources:			
1004 General Fund Receipts	0.0	197.9	197.9
1005 General Fund/Program Receipts	0.0	157.3	157.3
Funding Totals	0.0	355.2	355.2

Estimated Revenue Collections

Description	Master Revenue Account	FY2009 Actuals	FY2010 Conference Committee	FY2010 Authorized	FY2010 Authorized	FY2011 Governor
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
General Fund Program Receipts	51060	0.0	0.0	0.0	157.3	157.3
Restricted Total		0.0	0.0	0.0	157.3	157.3
Total Estimated Revenues		0.0	0.0	0.0	157.3	157.3

**Summary of Component Budget Changes
From FY2010 Management Plan to FY2011 Governor***All dollars shown in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2010 Management Plan	355.2	0.0	0.0	355.2
FY2011 Governor	355.2	0.0	0.0	355.2

**Unclaimed Property
Personal Services Information**

Authorized Positions			Personal Services Costs	
	<u>FY2010 Management Plan</u>	<u>FY2011 Governor</u>		
Full-time	4	4	Annual Salaries	201,253
Part-time	0	0	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	111,351
			<i>Less 2.43% Vacancy Factor</i>	(7,604)
			Lump Sum Premium Pay	0
Totals	4	4	Total Personal Services	305,000

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Clerk	0	0	2	0	2
Accounting Tech II	0	0	1	0	1
Unclaimed Property Manager	0	0	1	0	1
Totals	0	0	4	0	4

Component Detail All Funds

Department of Revenue

Component: Unclaimed Property (2938)
RDU: Taxation and Treasury (510)

	FY2009 Actuals	FY2010 Conference Committee	FY2010 Authorized	FY2010 Management Plan	FY2011 Governor	FY2010 Management Plan vs FY2011 Governor	
71000 Personal Services	0.0	305.0	305.0	305.0	305.0	0.0	0.0%
72000 Travel	0.0	9.1	9.1	9.1	9.1	0.0	0.0%
73000 Services	0.0	33.4	33.4	33.4	33.4	0.0	0.0%
74000 Commodities	0.0	7.7	7.7	7.7	7.7	0.0	0.0%
75000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	0.0	355.2	355.2	355.2	355.2	0.0	0.0%
Fund Sources:							
1004 Gen Fund	0.0	197.9	197.9	197.9	197.9	0.0	0.0%
1005 GF/Prgm	0.0	157.3	157.3	157.3	157.3	0.0	0.0%
General Funds	0.0	355.2	355.2	355.2	355.2	0.0	0.0%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Positions:							
Permanent Full Time	0	4	4	4	4	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

Change Record Detail - Multiple Scenarios With Descriptions
Department of Revenue

Component: Unclaimed Property (2938)
RDU: Taxation and Treasury (510)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2010 Conference Committee To FY2010 Authorized *****												
FY2010 Conference Committee	ConfCom	355.2	305.0	9.1	33.4	7.7	0.0	0.0	0.0	4	0	0
1004 Gen Fund		197.9										
1005 GF/Prgm		157.3										
Subtotal		355.2	305.0	9.1	33.4	7.7	0.0	0.0	0.0	4	0	0
***** Changes From FY2010 Authorized To FY2010 Management Plan *****												
Subtotal		355.2	305.0	9.1	33.4	7.7	0.0	0.0	0.0	4	0	0
***** Changes From FY2010 Management Plan To FY2011 Governor *****												
Totals		355.2	305.0	9.1	33.4	7.7	0.0	0.0	0.0	4	0	0

Personal Services Expenditure Detail
Department of Revenue

Scenario: FY2011 Governor (7749)
Component: Unclaimed Property (2938)
RDU: Taxation and Treasury (510)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range / Step	Comp Month	Split / Count	Annual Salaries	COLA	Premium Pay	Annual Benefits	Total Costs	GF Amount
04-3053	Accounting Tech II	FT	A	GP	Juneau	2A	14L / M	12.0		54,651	0	0	29,351	84,002	84,002
04-3202	Accounting Clerk	FT	A	GG	Juneau	2A	10L	12.0		41,424	0	0	25,005	66,429	66,429
04-3232	Unclaimed Property Manager	FT	A	SS	Juneau	2A	18L / M	12.0		73,061	0	0	35,048	108,109	108,109
04-8049	Accounting Clerk	FT	A	GP	Juneau	2A	10B / C	12.0		32,117	0	0	21,947	54,064	54,064

	Total Positions	New	Deleted		Total Salary Costs:	201,253
Full Time Positions:	4	0	0		Total COLA:	0
Part Time Positions:	0	0	0		Total Premium Pay::	0
Non Permanent Positions:	0	0	0		Total Benefits:	111,351
Positions in Component:	4	0	0		Total Pre-Vacancy:	312,604
					Minus Vacancy Adjustment of 2.43%:	(7,604)
					Total Post-Vacancy:	305,000
Total Component Months:	48.0				Plus Lump Sum Premium Pay:	0
					Personal Services Line 100:	305,000

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1004 General Fund Receipts	156,302	152,500	50.00%
1005 General Fund/Program Receipts	156,302	152,500	50.00%
Total PCN Funding:	312,604	305,000	100.00%

Note: If a position is split, an asterisk (*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (**) will appear in this column.
[No valid job title] appearing in the Job Class Title indicates that the PCN has an invalid class code or invalid range for the class code effective date of this scenario.

Line Item Detail
Department of Revenue
Travel

Component: Unclaimed Property (2938)
RDU: Taxation and Treasury (510)

Line Number	Line Name		FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
72000	Travel		0.0	9.1	9.1
Expenditure Account	Servicing Agency	Explanation	FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
72000 Travel Detail Totals			0.0	9.1	9.1
72100	Instate Travel	Instate airfare, surface transportation, lodging, meals & incidentals	0.0	0.9	0.9
72400	Out Of State Travel	Out of state airfare, surface transportation, lodging, meals & incidentals	0.0	8.2	8.2

Line Item Detail
Department of Revenue
Services

Component: Unclaimed Property (2938)
RDU: Taxation and Treasury (510)

Line Number	Line Name			FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
73000	Services			0.0	33.4	33.4
Expenditure Account	Servicing Agency	Explanation		FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
73000 Services Detail Totals				0.0	33.4	33.4
73150	Information Technlgy	Software maintenance for unclaimed property system, WAGERS.		0.0	20.6	20.2
73805	IT-Non-Telecommnctns	Admin	ETS chargeback for computer services (including EPR, MICS charges for mainframe usage, and VPN)	0.0	2.3	2.3
73806	IT-Telecommunication	Admin	ETS chargeback for telecommunications EPR, line fees and service requests	0.0	5.2	5.6
73809	Mail	Admin	Central mailroom services including pick up and delivery of U.S. mail, postage, mailing of state warrants	0.0	1.3	1.3
73810	Human Resources	Admin	Human resource and payroll services provided by the Division of Personnel	0.0	3.0	3.0
73815	Financial	Admin	Division of Finance AKSAS/AKPAY	0.0	1.0	1.0

Line Item Detail
Department of Revenue
Commodities

Component: Unclaimed Property (2938)
RDU: Taxation and Treasury (510)

Line Number	Line Name		FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
74000	Commodities		0.0	7.7	7.7
Expenditure Account	Servicing Agency	Explanation	FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
74000 Commodities Detail Totals			0.0	7.7	7.7
74229	Business Supplies	Office supplies	0.0	7.7	7.7

Restricted Revenue Detail

Department of Revenue

Component: Unclaimed Property (2938)
RDU: Taxation and Treasury (510)

Master Account	Revenue Description	FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
51060	General Fund Program Receipts	0.0	157.3	157.3

Detail Information

Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
55500	Other Prog Rec GF		04702150	11100	0.0	157.3	157.3
Program receipts are received from the Unclaimed Property Trust to support the operation of the Unclaimed Property Program. All funds received as unclaimed property are deposited into the Unclaimed Property Trust account in the general fund. Amounts received from property holders exceed refunds to owners because not all unclaimed property owners are located. A minimum balance is maintained in the trust account and excess funds are periodically transferred to the general fund. This program was transferred to its own component in FY2010.							

Inter-Agency Services
Department of Revenue

Component: Unclaimed Property (2938)
RDU: Taxation and Treasury (510)

Expenditure Account		Service Description	Service Type	Servicing Agency	FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
73805	IT-Non-Telecommnctns	ETS chargeback for computer services (including EPR, MICS charges for mainframe usage, and VPN)	Inter-dept	Admin	0.0	2.3	2.3
73805 IT-Non-Telecommnctns subtotal:					0.0	2.3	2.3
73806	IT-Telecommunication	ETS chargeback for telecommunications EPR, line fees and service requests	Inter-dept	Admin	0.0	5.2	5.6
73806 IT-Telecommunication subtotal:					0.0	5.2	5.6
73809	Mail	Central mailroom services including pick up and delivery of U.S. mail, postage, mailing of state warrants	Inter-dept	Admin	0.0	1.3	1.3
73809 Mail subtotal:					0.0	1.3	1.3
73810	Human Resources	Human resource and payroll services provided by the Division of Personnel	Inter-dept	Admin	0.0	3.0	3.0
73810 Human Resources subtotal:					0.0	3.0	3.0
73815	Financial	Division of Finance AKSAS/AKPAY	Inter-dept	Admin	0.0	1.0	1.0
73815 Financial subtotal:					0.0	1.0	1.0
Unclaimed Property total:					0.0	12.8	13.2
Grand Total:					0.0	12.8	13.2